



# **Manufacturing in Virginia**

## **SIC 33 Primary Metal Industries**



707 East Main Street, Suite 300  
P.O. Box 446  
Richmond, VA 23218-0446  
(804) 371-8200  
[www.dba.state.va.us](http://www.dba.state.va.us)

For more information contact Jay Ruehrmund at 804.371.0071 or by  
email [jruehrmund@dba.state.va.us](mailto:jruehrmund@dba.state.va.us)

## Overall Assessment

- Industry has tripled its employment in Virginia since 1949 with all of this growth occurring from 1949 to 1969.
- Nationally primary metals has lost 610,000 jobs since 1969, a 47 percent decline.

## Employment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
1949	3,300	13	1,087,000	5
1969	10,100	14	1,305,000	7
2000	11,300	15	695,100	11

Source: U.S. Department of Labor, Bureau of Labor Statistics.

## Employment Trends

### Absolute Employment Growth

	Virginia		U.S.	
	Absolute Employment Change	Rank	Absolute Employment Change	Rank
1949-2000	+8,000	6	-391,900	11
1949-1969	+6,800	7	+218,000	7
1969-2000	+1,200	11	-609,900	16

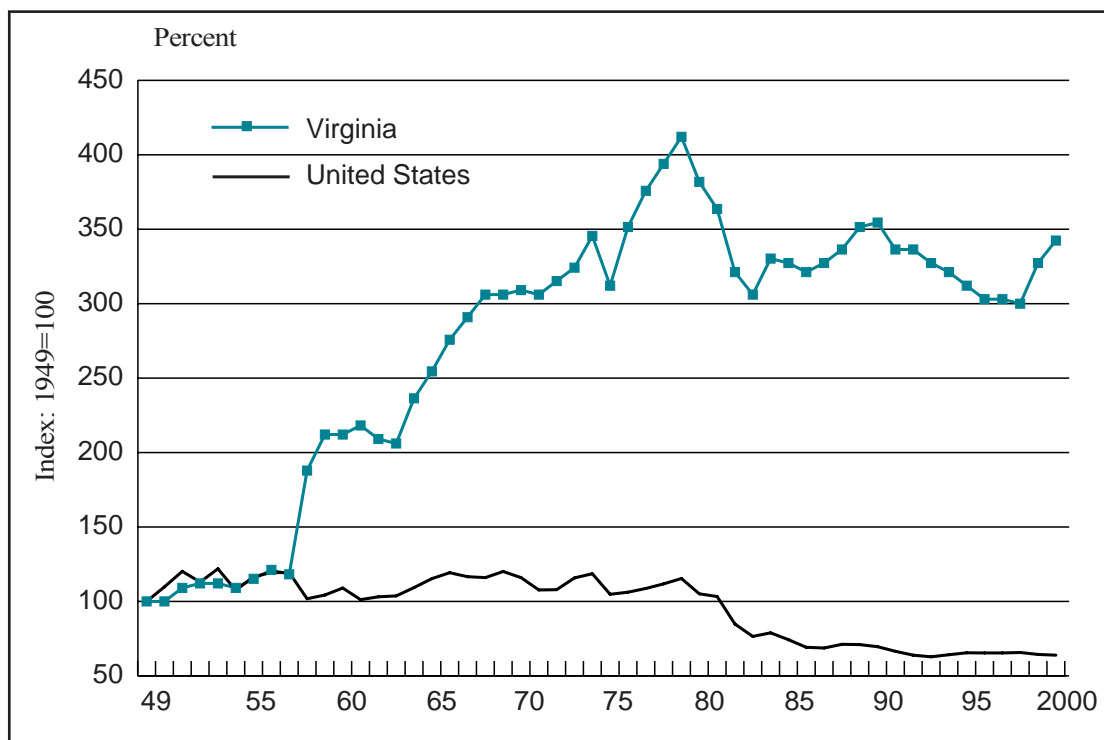
Source: U.S. Department of Labor, Bureau of Labor Statistics.

### Relative Employment Growth

Virginia Annual Average Growth Rates						
	Growth Rate 1949-2000	Rank	Growth Rate 1949-69	Rank	Growth Rate 1969-2000	Rank
Primary Metal Industries						
Virginia	2.4%	2	5.8%	1	0.4%	10
U.S.	-0.9%	10	0.9%	9	-2.0%	15
Nonagricultural Employment	3.0%		3.1%		2.9%	
Manufacturing	1.1%		2.6%		0.2%	
Durable Goods	2.0%		3.7%		1.0%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

## Employment Change 1949-2000



Source: U.S. Department of Labor, Bureau of Labor Statistics.

## Establishments

### Number of Establishments

	Virginia		U.S.	
	Establishment	Rank	Establishments	Rank
Primary Metal Industries	79	17	7,660	15
Manufacturing	6,908	--	413,506	--
Primary Metal Industries as a % of Mfg.	1.1%		1.9%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

### Employment per Establishment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
Primary Metal Industries	133	4	91	3
Manufacturing	57	--	45	--

Source: U.S. Department of Labor, Bureau of Labor Statistics.

## Payroll

### Payroll per Employee

	Virginia		U.S.	
	Payroll per Employee	Rank	Payroll per Employee	Rank
Primary Metal Industries	\$42,974	6	\$44,272	9
Manufacturing	\$35,767	--	\$41,941	--
Primary Metal Industries as a % of Mfg.	120.1%		105.5%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

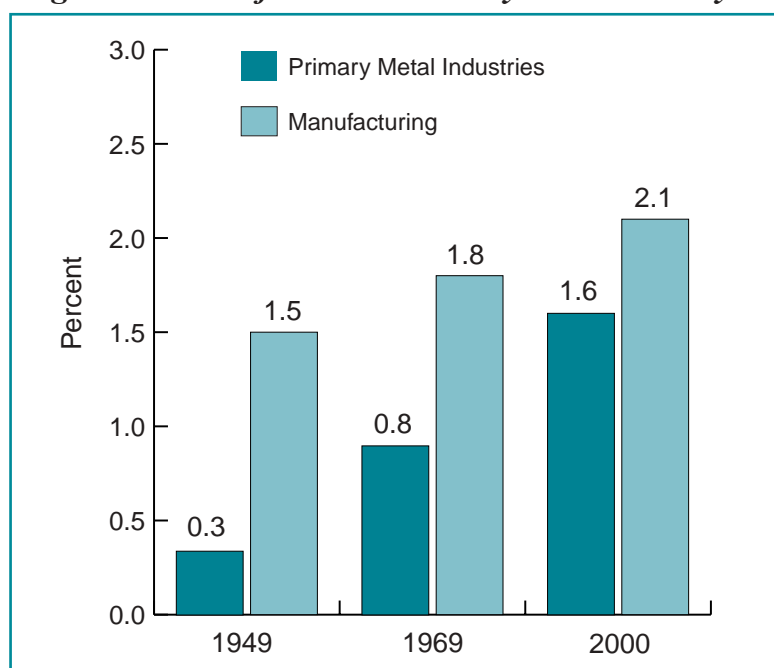
## Exports

Virginia Exports		
	Primary Metals Industries	Manufacturing
2000	\$125,597,000	\$9,395,636,000
1995	\$296,554,000	\$9,294,115,000
Export Growth, 1995-2000	-57.6%	1.1%
Share of Manufactured Goods Exports, 2000	1.3%	--

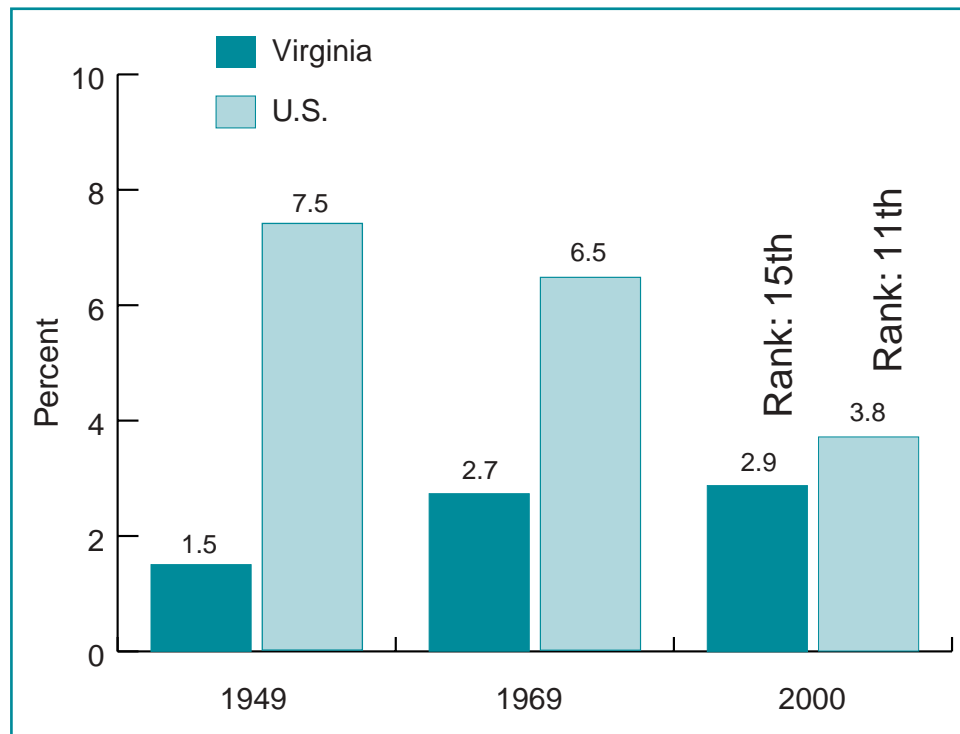
Source: U.S. Department of Commerce.

## Industry Importance

### Virginia's Share of National Primary Metal Industry



Source: U.S. Department of Labor, Bureau of Labor Statistics.

**Industry's Share of Manufacturing Employment**

Source: U.S. Department of Labor, Bureau of Labor Statistics.

## Industry Trends

***Virginia employment distribution: nonferrous rolling and drawing (42 percent), iron and steel foundries (26 percent), nonferrous foundries (castings) (17 percent), and blast furnace and basic steel products (12 percent).***

- Nationally, employment figures have stabilized for the past five years. In Virginia employment figures show a more drastic drop but will begin to rise again with recent expansions and the opening of new companies that refine and manufacture primary metal products.
- During the past 30 years, the primary metal industry traditionally known for high labor costs has been subject to intense competition from foreign firms paying lower wages and in many instances utilizing more productive technology. The U.S. industry's response was to close and merge facilities and introduce more advanced technology such as electric furnaces, minimills, and continuous casting.
- The development of minimills and use of improved technology to refine metals has resulted in increased production levels and a lower employment base thus allowing the United States to catch up with other industrialized countries.
- Aggressive response to the dumping of steel and other primary metal products by foreign competitors over the past couple of years is showing positive results in the protection and maintenance of domestic markets.
- Changes in the primary metals market will affect future demand. Although the housing market has significant potential for the steel industry, many primary metal producers face competition from alternative materials such as lightweight plastic.